

CITY OF BALTIMORE

BERNARD C. "JACK" YOUNG,
Ex Officio Mayor



OFFICE OF THE MAYOR

100 Holliday Street, Rm 250
Baltimore, Maryland 21202

VIA FEDEX AND REGULAR MAIL

April 9, 2019

Diane Bell-McKoy, CEO & President
Associated Black Charities, Inc.
2 Hamill Road - 272 North Quadrangle
Baltimore, Maryland 21210

RE: Interim Fiscal Agent Agreement – Baltimore City Children and Youth Fund

Dear Ms. Bell-McKoy:

Associated Black Charities, Inc. ("ABC") publicly released a statement on April 1, 2019 about its involvement with Healthy Holly, LLC. In the statement, ABC acknowledged that it paid Healthy Holly, LLC for books from donations between 2011 and 2016. In response to this finding, ABC's Board of Directors took certain steps including:

- prohibiting ABC from entering into any business arrangements with any elected officials or any politically appointed persons, and
- developing a process to review ABC vendors and their appropriateness to do business with ABC.

In 2017, ABC was chosen to manage the Baltimore City Children and Youth Fund. Through this Agreement approved by the Board of Estimates in 2018, the City has awarded ABC \$10.8 million in grants to 84 grantees for the first year of the Fund and \$1.2 million to manage the grants.

With ABC's recent statement, I want to ensure that the Fund is being well-managed and that there are no conflicts of interest with ABC, its subcontractors or grantees. As such, pursuant to the Agreement and the Interim Governance and Administration of Fund Rules and Regulations, I have requested the City's Department of Audits conduct an audit of the records of ABC, its subcontractors and grantees with respect to matters covered under the Agreement.

If you have any questions, please feel free to contact Lester Davis, Deputy Chief of Staff, on 443-984-2975.

Sincerely,

Bernard C. "Jack" Young, Ex Officio Mayor and President of City Council

cc: Joan M. Pratt, Comptroller (c/o Department of Audits)
Henry Raymond, Director of Finance
Karen Stokes, Director of Government Relations
Lester Davis, Deputy Chief of Staff, Office of the City Council President

